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C.I.A. Move to Ban Disclosure of Secrets Dropped

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By STUART TAYLOR Jr. Special to The New York Times

WASHINGTON, March 27 — The Reagan Administration today decided STAT ligence Agency to make it a crime if Government employees to disclose r tional secrets without authorization, ficials said.

But they said the Administration remained concerned about unauthorized disclosures of national security secrets to reporters and others and had not ruled out proposing similar legislation in the future.

The officials said the C.I.A. had joined in a "consensus" decision not to proceed with a proposal put forth earlier this month by William J. Casey, the Director of Central Intelligence, to send the criminal provision to Congress as part of the proposed Intelligence Authorization Act for the fiscal year 1986.

"If you're going to do something like this, you don't do it as an obscure provision in a C.I.A. authorization bill," one official said in explaining today's decision.

Outlook on New Move

He added that any move to propose broad new official secrecy legislation raised "a major policy question" and would have to be carefully considered at the highest levels of the Administration.

The Casey proposal would have penalized Government employees and others who have "authorized access" to officially classified information for deliberately disclosing secrets that "reasonably could be expected to damage the national security" to anyone not authorized to receive the information.

The maximum penalty would have been five years in prison and a \$25,000 fine.

Mr. Casey had sent this provision as part of a draft of the intelligence authorization bill to the Office of Management and Budget, which referred it for routine review to other agencies including the Justice, State and Defense Departments.

Purpose of Measure

The main purpose of the authorization bill, which has not officially been made public, is to lay the legal groundwork for later appropriations of money to pay for activities of the C.I.A. and other intelligence agencies in the fiscal year 1986.

The decision today to drop the Casey proposal was reached at an interagency meeting at the budget office, he officials said. Kathy Pherson, a C.I.A. spokesman, said Mr. Casey would have no comment on the matter.

Another official, who discussed the matter on the condition he not be identified, said the C.I.A. had joined in a "unanimous decision" not to send the Casey proposal to Congress as part of the authorization bill.

This official characterized the Casey proposal as a trial balloon designed to draw attention to the problem of "leaks" of national security secrets, rather than a major personal priority of Mr. Casey's.

Problem on Disciosures

Today's decision illustrates the difficulty the Administration has had in deciding what to do to stop disclosures of national secrets.

President Reagan and other top officials have repeatedly called such disclosures a major problem. But several Administration moves to combat them, including lifelong censorship of certain officials and increased use of lie-detector tests, have encountered widespread opposition in Congress and criticism in the news media. The C.I.A.'s proposed criminal legislation was sure to meet similar opposition.

"There has always been and continues to be a recognition that some kind of new legislation would be helpful, but exactly what form it should take people had different views on," one official said.

Another official suggested the C.I.A. proposal was ill-timed because the Justice Department is in the midst of a criminal prosecution in which it has argued that it is already a crime to disclose national secrets without authorization.

Pending Espionage Case

Congress would probably be reluctant to tackle new official secrecy legislation until the courts have resolved the pending case, in which Samuel Loring Morison, a naval intelligence analyst, is charged with espionage and theft of Government property.

The charges are based on allegations that Mr. Morison gave classified satellite intelligence photographs of a Soviet aircraft carrier under constuction to a British military magazine.

In a pretrial ruling this month, Federal District Judge Joseph H. Young of Baltimore adopted the Justice Department's position that Mr. Morison could be prosecuted for disclosing security secrets even though no foreign spy was involved and there was no allegation that he intended to harm national security.

If Judge Young's interpretation stands, officials have noted, it would mean in effect that the United States already has official secrecy legislation virtually as broad as that which Mr. Casey included in the draft authorization legislation.